



BOARD OF SUPERVISORS

**Gloria Molina**  
First District

**Yvonne Brathwaite Burke**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District


**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

September 16, 2005

TO: Each Supervisor

FROM: Thomas L. Garthwaite, M.D.   
Director and Chief Medical Officer

**SUBJECT: MANAGEMENT OF DHS PHYSICIAN CONTRACTS AND OTHER MID LEVEL CLINICAL CONTRACTS**

On August 26, 2005, the Department of Health Services (DHS) reported to the Board of Supervisors, as instructed on July 19, 2005, on the reforms that have been put into place to ensure the proper management of physician services contracts at DHS facilities. This is to provide you with additional information, following our August 26, 2005 report.

Contract Monitoring Structure

Stronger accountability is built into the monitoring structure beginning with the contracts themselves. Contract monitoring responsibility and accountability duties are better defined and repositioned to better ensure verification and validation.

The Department has initiated a new designation entitled "Facility Liaison." This individual is responsible for coordinating/overseeing contracts and contract monitoring. In addition, the Facility Liaison is responsible for conducting Administrative monitoring at their respective site, and there is a Facility Liaison located at each facility and program office. This position formerly existed, but may have had different titles at each facility. This individual interacts with the Department's Contracts and Grants, Centralized Contract Monitoring, and Audit and Compliance Divisions.

Specific to the physician contracts, the Medical Director at each facility is identified as the senior manager accountable for the physician contracts at their respective site. In particular, they oversee the contract monitors, are responsible for signing-off on need, are responsible for approval of any non-clinical use, and are responsible for validating actual hours worked. Those Service Chiefs who are designated as the contract monitors for these physician contracts, are responsible for conducting the service/program and invoice verification reviews for these agreements at their facility. Service Chiefs report directly to the Medical Director. The Medical Directors are responsible for providing monitoring information to the Facility Liaison regarding monitoring reviews, as

Each Supervisor  
September 16, 2005  
Page 2

well as addressing any issues, questions and concerns that may arise. Attachment A, "Chain of Accountability and Core Responsibilities Oversight" visually depicts this reporting chain.

#### Contract Monitoring Training

In order to ensure that all appropriate personnel are trained, the Department's Audit and Compliance and Contracts and Grants Divisions will conduct a training class for:

- Medical Directors at their September 21, 2005 meeting
- Each facility, including comprehensive health center personnel, beginning with King/Drew Medical Center.

Training participants include the Facility Medical Director, Facility Service Chiefs, Facility Liaison, and other identified facility appropriate personnel. The participants will be provided with pertinent contract monitoring information specific to conducting a contract monitoring review, and will include a walk-through of the monitoring instruments, and how to complete them, developed specifically for the Full-Time (Proposition A), Part-Time/Intermittent, and Registry physician specialty agreements recently approved by the Board. Contract specifics will be addressed and discussed, and time will be allocated for questions.

Training for each facility will take place in two phases. The first phase will provide contract and monitoring information that can be implemented and utilized immediately. Once all of the contracts have been finalized, the second phase will provide appropriate monitoring tools designed for use with each of the three agreements. In addition these Divisions will also conduct a make-up class, at DHS headquarters, for personnel who were unable to attend their facility-specific session. The tentative date for this session is November 1, 2005. The training schedule is attached for your reference, and is identified as Attachment B.

Finally, ongoing consultation and technical assistance, and monthly orientation sessions will be provided, as needed, by both the Audit and Compliance and Contracts and Grants Divisions. Also, the Centralized Contract Monitoring Division will conduct quarterly monitoring reviews, and prepare a written report of their findings, for a selected sample of contracts at each Facility. Focused training will be provided as necessary, based on the findings of the quarterly audits and ongoing management and oversight. In addition, training protocols will establish scheduled training for all new employees with contract oversight responsibilities and will be a required part of these employees' orientation.

Attachment C, "Training Agenda", illustrates the steps involved in preparing and conducting the specific training sessions.

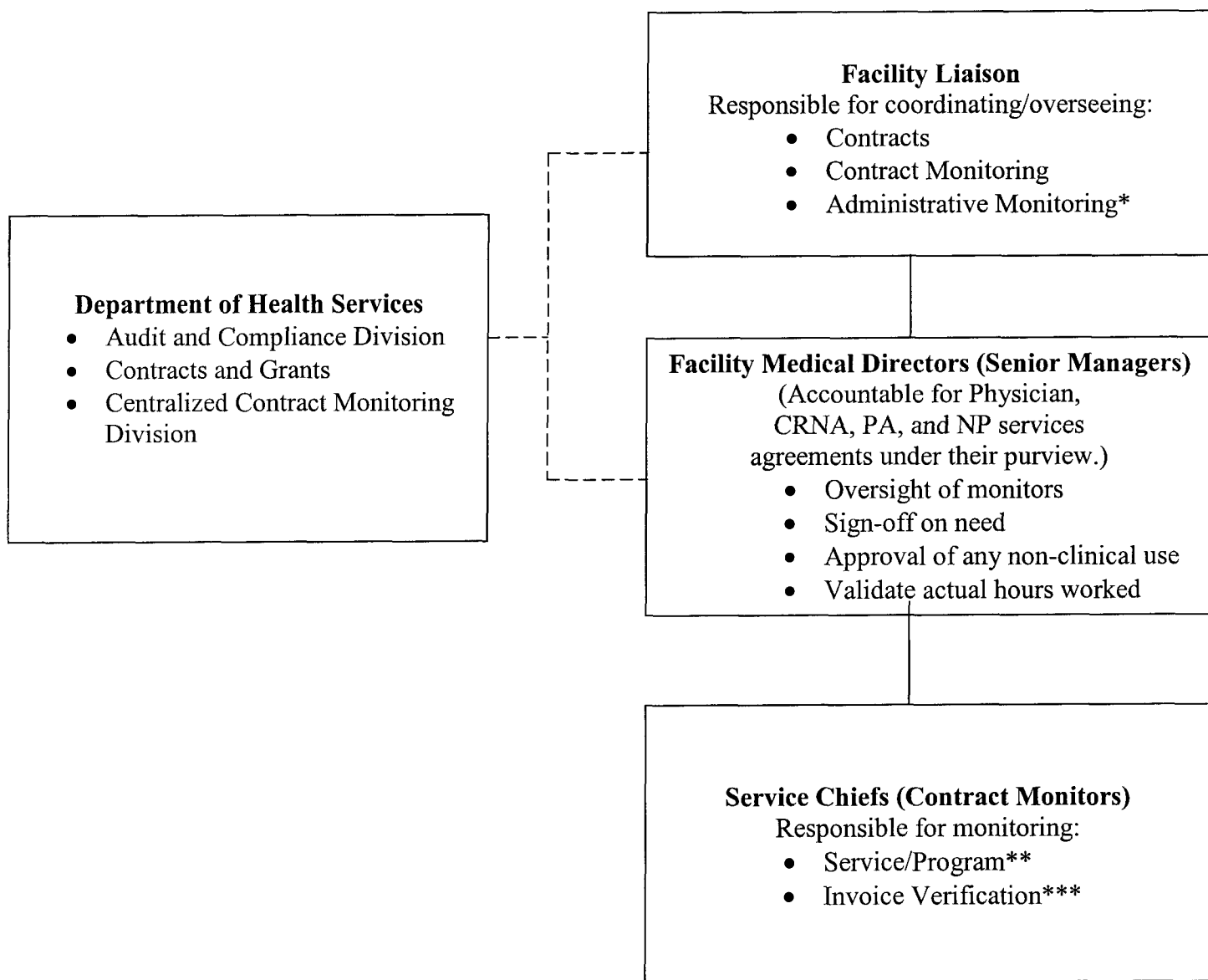
Please let me know if you have any further questions.

TLG:sr

Attachments

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller

## Chain of Accountability and Core Oversight Responsibilities



\*Pertains to business operations (insurance, licensure, permits)

\*\*Looks at contractor's performance of actual services provided

\*\*\*Reviews submitted documentation to determine appropriate and correct billing



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

## Attachment B

### BOARD OF SUPERVISORS

**Gloria Molina**  
First District

**Yvonne Brathwaite Burke**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

## TRAINING SCHEDULE

Medical Directors (All DHS Facilities)

September 21, 2005

Phase One For Service Chiefs, Facility Liaisons, and Other Appropriate Personnel:

Contract monitoring duties, responsibilities, accountability, and oversight.

King/Drew Medical Center	September 29, 2005
Harbor/UCLA Medical Center	October 3, 2005
LAC+USC Medical Center	October 6, 2005
Olive View/UCLA Medical Center	October 7, 2005
Rancho Los Amigos National Rehabilitation Center	October 18, 2005

Make-up Session

November 1, 2005

Phase Two For Service Chiefs, Facility Liaisons, and Other Appropriate Personnel:

Further review of contract monitoring requirements  
and detailed training in completion of monitoring  
instruments.

Projected – December 2005



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

## Attachment C

### BOARD OF SUPERVISORS

**Gloria Molina**  
First District

**Yvonne Brathwaite Burke**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

## TRAINING AGENDA

1. Conduct training class for Facility Medical Directors.
2. Conduct training class, for Identified Participants, at each Facility beginning with KDMC:
  - Short Introduction - Fred Leaf and/or Dr. Chernof
  - Session reviews areas of responsibility and accountability
  - Session includes:
    - Review of the three different types of agreements and their respective differences
    - Review of the three different Monitoring Instruments and how to complete them
    - Questions/comments segment.
3. Conduct make-up training class, for Identified Participants, at Health Services Administration.
4. Provide on-going consultation and technical assistance, on an as needed basis, by the Audit and Compliance and Contracts and Grants Divisions.
5. Conduct quarterly monitoring reviews, and prepare a written report of their findings for a selected sample of contracts from each Facility, by the Centralized Contract Monitoring Division.
6. Conduct monthly orientation session, for Identified Participants, by the Audit and Compliance and Contracts and Grants Divisions.